© 05hr_CRule_05-014_AC-Ag_pt01

Details:

(FORM UPDATED: 07/12/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2005-06

(session year)

Assembly

(Assembly, Senate or Joint

Committee on ... Agriculture (AC-Ag)

COMMITTEE NOTICES ...

- Committee Reports ... CR
- Executive Sessions ... ES
- Public Hearings ... PH
- Record of Comm. Proceedings ... RCP

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... Appt
- Clearinghouse Rules ... CRule
- Hearing Records ... bills and resolutions

(**ab** = Assembly Bill) (**sb** = Senate Bill) (ar = Assembly Resolution)

(**sr** = Senate Resolution)

(ajr = Assembly Joint Resolution) (sjr = Senate Joint Resolution)

Miscellaneous ... Misc

Vote Record

Committee on Agriculture

Date: 12/21/05 Bill Number: C.R. 05-014 Moved by: Ott Second Request	conded by			n ons
Committee Member Representative Alvin Ott, Chair Representative Lee Nerison Representative John Ainsworth Representative Jerry Petrowski Representative J.A. Hines Representative Scott Suder Representative Mary Williams Representative Gabe Loeffelholz Representative Debra Towns Representative Barbara Gronemus Representative Amy Sue Vruwink Representative Robert Ziegelbauer Representative John Steinbrink Representative Louis Molepske Representative Joseph Parisi	ANN DEN DEN DEN EN E	≥0000000000000000000000000000000000000	Absent O O O O O O O O O O O O O O O O O O O	Not Voting
Totals:	13		\supset	

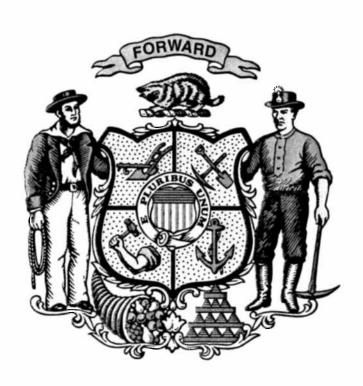
Vote Record

Committee on Agriculture

	onded by	buil	et poin	t of
Committee Member Representative Alvin Ott, Chair Representative Lee Nerison Representative John Ainsworth Representative Jerry Petrowski Representative J.A. Hines Representative Scott Suder Representative Mary Williams Representative Gabe Loeffelholz Representative Debra Towns Representative Barbara Gronemus Representative Amy Sue Vruwink Representative Robert Ziegelbauer Representative John Steinbrink Representative Louis Molepske Representative Joseph Parisi			Absent	Not Voting
Totals:	12		\Diamond	

Motion Carried

☐ Motion Failed





Al Ott State Representative • 3rd Assembly District

Representative - 3rd Assembly Distri

Memorandum

To: Members of the Assembly Committee on Agriculture

From: Rep. Al Ott, Chair

Date: August 18, 2005

Re: Livestock Facility Siting Rule – ATCP 51

As you know, our committee will soon be charged with reviewing Clearinghouse Rule 05-014, which creates ATCP 51 – standards for livestock facility siting. I would like to take this opportunity to give you a brief overview as to how I plan to move forward on this rule.

First and foremost, I would respectfully request that you approach this process with an open mind. I encourage you to ask questions and have a willingness to listen and work through the issue.

It is my intent to bring the committee together for an informational hearing on Thursday, September 15th. The DATCP Board is scheduled to meet on this rule on Wednesday, September 14th. I have asked DATCP staff to brief the committee on the contents of the rule and walk through the application forms and process.

In addition, I have asked Secretary Nilsestuen to visit with each member of the committee individually – as a follow-up to the briefing – in order to discuss concerns or address questions you may have.

Once the rule has been referred to the committee, we will be holding a public hearing and accepting formal testimony on the rule. A separate executive session will be held if necessary.

This is one of the most critical subjects that will come before our committee this session. Due to the complexity of the issue, I want members to be as fully informed about this rule as possible – hence my desire for a committee briefing, individual meetings and public hearing.

It is important for members to be engaged in this process. Please familiarize yourself with the draft rule prior to the briefing. The rule and supplemental information can be found on the Department's website at:

www.datcp.state.wi.us/arm/agriculture/land-water/livestock_siting/siting.jsp.

Please note, however, additional changes are possible prior to the rule going before the DATCP Board.

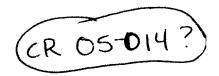
Do not hesitate to contact me if you have any questions or would like to discuss this matter further. Open and thoughtful dialogue will be key to the success of this process.

Thank you for your time and consideration.



REPRESENTATIVE AL OTT

State Representative 3rd Assembly District P.O. Box 8953 – Madison, WI 53708



FOR IMMEDIATE RELEASE September 20, 2005

Contact: Representative Ott (608) 266-5831

Media Advisory

Assembly Agriculture Committee to Hold Informational Session on Livestock Facility Siting Rule

Madison – The Assembly Committee on Agriculture will meet on Thursday, September 29, 2005 for an informational session regarding the proposed Livestock Facility Siting rule package (ATCP 51).

Department of Agriculture, Trade and Consumer Protection staff has been invited to brief the committee on the contents of ATCP 51 and walk through the application process set forth by the rule.

The informational session is open to the public. Audio of the proceedings will also be broadcast via the Legislature's home page. The committee will be taking invited testimony from Department representatives only. Public comment will be taken at a later date.

Assembly Committee on Agriculture Informational Session on ATCP 51:

Thursday, September 29th
9:30 a.m.
Room 411 South, State Capitol
Invited Testimony Only
Audio available at: http://www.legis.state.wi.us/

###



Wisconsin Agronnection



BACK TO HOME

About Us Website Design Advertising Info WI Ag Agencies E-Mail Us







Wisconsin Ag News Headlines Ag Committee to Take Up Livestock Siting Bill Wisconsin Ag Connection - 09/21/2005

The latest version of rules relating to livestock siting in Wisconsin will begin going through the Legislative process this month. ATCP 51, which was approved last week by the state's agriculture board, will be discussed by the Assembly Committee on Agriculture on September 29 during an informational session at the State Capitol building. The meeting is open to the public, but only DATCP representatives will be allowed to give testimony.

Under the livestock facility siting law, DATCP must spell out information that a livestock operator is required to include in an application for local approval in order to show that the new or expanded livestock facility complies with DATCP standards. The law states that this process must be done once every four years.

Wisconsin Ag Secretary Rod Nilsestuen says the legislation 'will create certainty for expanding dairy and livestock operations and reduce community conflict over expansions.'

However, the current bill as it stands has mixed feelings among producers, legislators and farm groups--all of which differ on various provisions of the measure.

The law is likely to be in place by the end of the year.

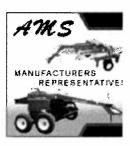
E-MAIL THIS PAGE TO A FRIEND L.











© 2005 - All Rights Reserved - Ph: 715-384-7767 - Fax: 503-961-1905





State of Wisconsin Jim Doyle, Governor

Department of Agriculture, Trade and Consumer Protection

Rod Nilsestuen, Secretary

Date: September 27, 2005

To: Assembly Agriculture Committee members

From: Rod Nilsestuen

Re: Some Perspectives on Livestock Facility Siting

CRule ?

Doing all that we can to increase Wisconsin's dairy and livestock competitiveness has been our number one priority since I started at DATCP two and one half years ago. Since then much has been accomplished: a \$50,000 investment credit modernization incentive for both dairy and livestock; the Dairy Business Innovation Center; expanded use valuation; the grazing initiative; construction of the Wisconsin Veterinary Diagnostic Lab; the nation's first livestock premise registration and much more.

Two years ago, as I spoke with groups across Wisconsin, the issue widely identified as the number one impediment to our dairy and livestock growth was the conflict and turmoil over siting of livestock facilities. Despite several failed efforts in the past and much advice that this controversial and complex issue could not be solved, the DATCP Board, Legislature and I were determined to address siting in a fair, open and balanced way involving all interested parties.

After a superb and broad-based Advisory (Rohde) Committee; legislative hearings and passage of the siting law with broad, bipartisan support; months of intense and detailed work by a Technical Committee; DATCP Board discussion and review; twelve public hearings attended by over 800 participants; and literally the investment of thousands of hours of staff effort -- we are now, after 28 months, ready with the final draft rule.

Throughout this entire period, we have been engaged in extensive and often intensive discussions with the many agricultural groups, local government, conservation and environmental organizations and other interested stakeholders. From the onset, we have been committed to listening closely and utilizing the best ideas possible. As a direct result, we have made many, many significant modifications in the proposed rule.

In my thirty plus years of work in public decision-making, I have never been involved in any process that utilized this magnitude of citizen and stakeholder input. On most days, I believe it has been worth all the effort, because we now have an approach which meets the goals we set out to accomplish:

- Reduce the conflict which has divided local communities
- Provide predictability for dairy and livestock producers to modernize and grow
- Maintain Wisconsin's hard-won environmental standards



Livestock Facility Siting Rule (ATCP 51)

Key Revisions to Final Draft Livestock Facility Siting Rule

Revises research-based odor standard, mainly to address farmer concerns

- Retains complete exemption for expanding facilities under 1,000 animal units (AU) and new facilities under 500 AU.
- Adds complete exemption for facilities more than 2,500 feet from nearest affected neighbors.
- Allows more odor (uses less restrictive "odor curves").
- Provides a lower, more accurate odor generation number for large manure lagoons.
- Reduces odor estimates for livestock housing facilities.
- Clearly defines "affected neighbors" for purposes of odor score calculations.
- Calculates separation distance more fairly by using weighted average.
- Gives credit if neighboring development is low-density (same credit applies to future expansions, even if there has been more encroaching development).
- Gives credit of up to 30% for favorable wind direction.
- Expands and clarifies management practices that operator can use to improve odor score. Allows for innovative practices not yet identified.
- Simplifies "cluster" option (e.g. helps farmers with separate milking and heifer facilities).
- Expands local discretion to grant permit (only works in favor of farmer).
- Clarifies that odor scores may not be used as a nuisance standard.
- Refines odor standards based on testing of real farm scenarios provided by farm groups.
- Establishes positive scoring system.
- Acknowledges that odor management may also help control air pollution emissions.
- Gives credit for required employee training and incident response plans (eliminates "good neighbor" practices that do not actually reduce odor).
- Allows more than 90% of existing facilities to pass, even if they install no new odor management practices. Others can pass by adding odor management practices (farmer chooses practices).
- Simplifies odor worksheet (and provides convenient automated spreadsheet option). Farmer can check the numbers (and refine plans if necessary) before applying.
- Guarantees local approval for those who meet standard.

Changes setback requirements, mainly to address farmer concerns

- Eliminates state setbacks in favor of more lenient local setbacks (except for new manure storage facilities). Caps local setbacks (100-200 ft. maximum, depending on circumstances).
- Adds 350 ft. setback for new manure storage.
- "Grandfathers" existing structures, and allows them to expand (but no closer to property line).

Eliminates some standards, to address farmer concerns

- Eliminates odor management standard for manure spreading.
- Eliminates plan for handling dead animals.

Wisconsin Department of Agriculture, Trade & Consumer Protection



Livestock Facility Siting Rule (ATCP 51)

Common Misconceptions About the Livestock Facility Siting Rule

The Livestock Facility Siting Rule will eliminate the growth of livestock operations in Wisconsin.

The opposite is true. The siting rule will promote the growth of livestock operations throughout the state by creating a consistent and predictable process for farmers that guarantees a permit if an application is properly completed. Under the current regulatory system, livestock operations face potentially expensive, and in many cases, arbitrary local permitting processes with no guarantees.

The odor standard will make it especially difficult to grow mid-size dairy operations.

Most mid-size dairy operations will not be required to meet the odor standards in the proposed rule. The rule recognizes the special challenges faced by expanding mid-size dairies and for this reason, the odor standard only applies to expanding facilities over 1000 AU. In addition, the odor standard goes beyond the use of often rigid local and state setback requirements to control odor. Livestock operations that must comply with the odor standard have the flexibility to use a combination of distance and implementation of odor control practices, many of which are low-cost, to help dissipate the odor. The rule also allows farmers to apply to the department for approval of innovative odor control practices.

The Department of Agriculture, Trade and Consumer Protection has not been responsive to the concerns raised by farming interests.

The Department of Agriculture Trade and Consumer Protection has taken all comments on the rule very seriously. Each of over 500 comments given at 12 public hearings across the state were read and considered. The department revised the proposed rule extensively based on these comments. In fact, most of the revisions made were directly in response to comments from farming interests. Compromise has been an important component in development of this rule and it is important to remember that total consensus on every element of this rule by all interested parties is not realistic.

Odor from livestock facilities cannot be measured.

It is possible to measure odor from livestock facilities. The techniques in the rule used to measure odor—and ways to control or reduce odor—have been extensively researched by the University of Minnesota and others. Additionally, all of the odor management practices included in the odor standard have been proven to reduce or control odor through peer-reviewed science. The department has made a commitment to continue research on odor and air emissions and recently was awarded a \$1.3 million grant for this purpose.

There was not an open process for citizen interaction during the development of the Livestock Facility Siting Rule.

This is simply untrue. The development of the Livestock Facility Siting Rule was an extensive and inclusive process founded on compromise. Through every step in this 28-month process, the Department of Agriculture, Trade and Consumer Protection solicited and considered input from affected stakeholders, particularly agricultural, local government, and environmental interests. In fact, citizen input from the public hearings was particularly important in developing the final rule draft and led to numerous changes that favor farming interests.

The setback requirements are unfair to livestock operators.

The setback requirements in the rule provide options to livestock operators and local government. It does not set state-mandated setback requirements. Instead, the rule establishes a state maximum which local governments may not exceed. In many cases, these local setbacks are lower than the state maximums. The rule also allows expansion of existing structures if this expansion does not encroach on setbacks.



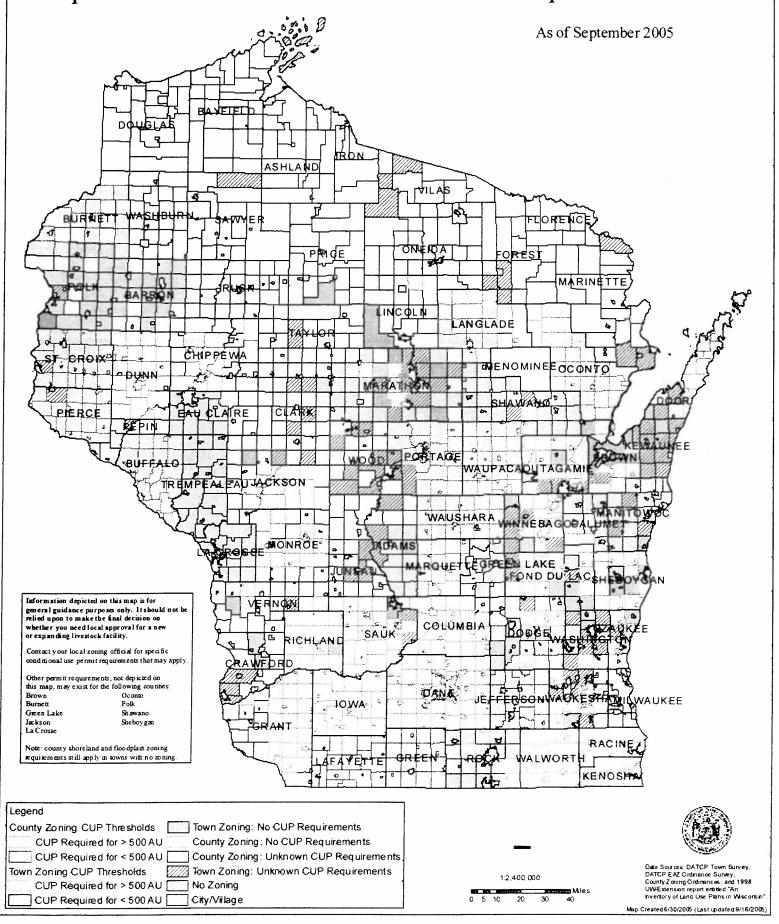
Livestock Facility Siting Rule (ATCP 51)

Prior to ATCP 51 – Real examples of expansion costs

Farm	Costs	Included in Costs	Other Issues
Farm A	\$2000	Expert testimony fees	Does not include costs the partners incurred from taking off several days from farming duties to prepare for hearings. Permit granted.
Farm B	\$10,000	Not reported	Permit granted. Many challenges in process, but the worst were emotional.
Farm C	\$17,000	Not reported	Residents wanted an ordinance restricting the size of operations. Permit granted.
Farm D	\$20,000	Portion of town's legal fees; expert testimony fees	Many public hearings. Community was allowed to add a large number of permit conditions. Permit granted . Town can add new conditions to the permit every two years.
Farm E	\$65,000	Legal fees and expert testimony	Permit denied after numerous public hearings. Had to switch counties to one that did not require a permit.
Farm F	\$85,000	Expenses incurred during permitting process, including engineering assistance.	Permit granted. Emotional strain was worse than financial aspect.
Farm G	\$106,000	Legal fees and expert testimony (costs incomplete, case still pending)	Received permit that was found to be void. Has not received another permit. In addition, may be fined \$50-\$500 per day for noncompliance. Permit denied. Lawsuit still pending.
Farm H	\$125,000	Legal fees, expert testimony, and manure digester	Permit denied on non-scientific concerns, despite adequate land base, nutrient management plan, digester, and government engineering assistance.
Farm I	\$200,000	Legal fees and expert testimony	Two lawsuits not completed. Producer said he will move out of state before he ever goes through this again.
Farm J	\$350,000	Construction of engineered practices	Unreasonable engineering conditions imposed with no scientific rationale. Also sustains \$19,000 in additional costs annually due to permit requirements. Permit granted.
Farm K	\$420,000	Legal fees and purchase of two homes	Successfully challenged county ordinance that restricted operation size. Permit granted .

Note: Eleven operators provided information related to their costs to receive a local permit to expand their livestock facility. These costs ranged from \$2000 to over \$400,000, with an average cost of \$120,000. Two of these example expansions have spent over \$100,000 each but have not yet received a permit. Table 1 provides a sample of these operations, their costs, and other issues they faced during the process.

Livestock Facility Siting Conditional Use Permit (CUP) Requirements and Thresholds: Prior to the Adoption of ATCP 51



Livestock Facility Siting Scenarios (ATCP 51)

These scenarios apply if your local government has a livestock siting ordinance. IF THERE IS NO LOCAL ORDINANCE, NO LOCAL PERMIT IS REQUIRED.

				Must Complete Worksheets?						
New or Expanded	Animal Units (AU)	DNR Permit (1000 AU or more)?	Local ordinance permit threshold ¹	Expanded more than 20%? ²	Local permit required?	1 Animal Units	2 Odor	3 Waste & Nutrient Mgmt	4 Waste Storage	5 Runoff
1. Expand	1500 to 3000	Yes	500 AU	Yes	YES	Yes	Yes	No ³	No ³	No ³
2. Expand	1300 to 1500	Yes	500 AU	No	NO^2	No	No	No	No	No
3. Expand	300 to 450	No	500 AU	Yes	NO	No	No	No	No	No
4. Expand	300 to 450	No	400 AU ¹	Yes	YES	Yes	No	Yes ⁴	Yes	Yes
5. Expand	480 to 550	No	500 AU	No	NO	No	No	No	No	No
6. Expand	480 to 600	No	500 AU	Yes	YES	Yes	No	Yes	Yes	Yes
7. Expand	600 to 700	No	500 AU	No	NO^2	No	No	No	No	No
8. Expand	600 to 900	No	500 AU	Yes	YES	Yes	No	Yes	Yes	Yes
9. New	450	No	500 AU	NA	NO	No	No	No	No	No
10. New	550	No	500 AU	NA	YES	Yes	Yes	Yes	Yes	Yes
11. N ew	1500	Yes	500 AU	NA	YES	Yes	Yes	No ³	No ³	No ³

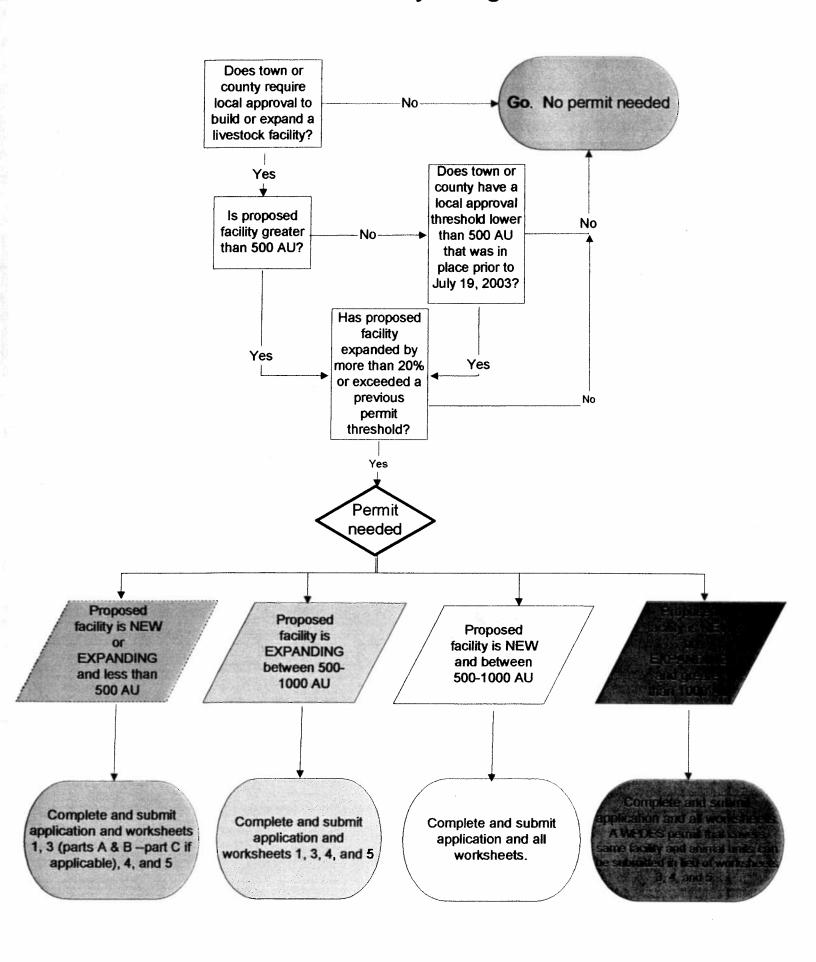
¹ Local siting ordinance may not regulate below 500 "animal units" unless adopted prior to July 19, 2003.

² A pre-existing facility may expand by 20% without a local permit, unless existing permit sets size limit.

³ May submit DNR permit in lieu of worksheet.

⁴ Exempt from part C, if acreage minimally adequate to handle manure (see worksheet).

Livestock Facility Siting Process





CRule 05-014?

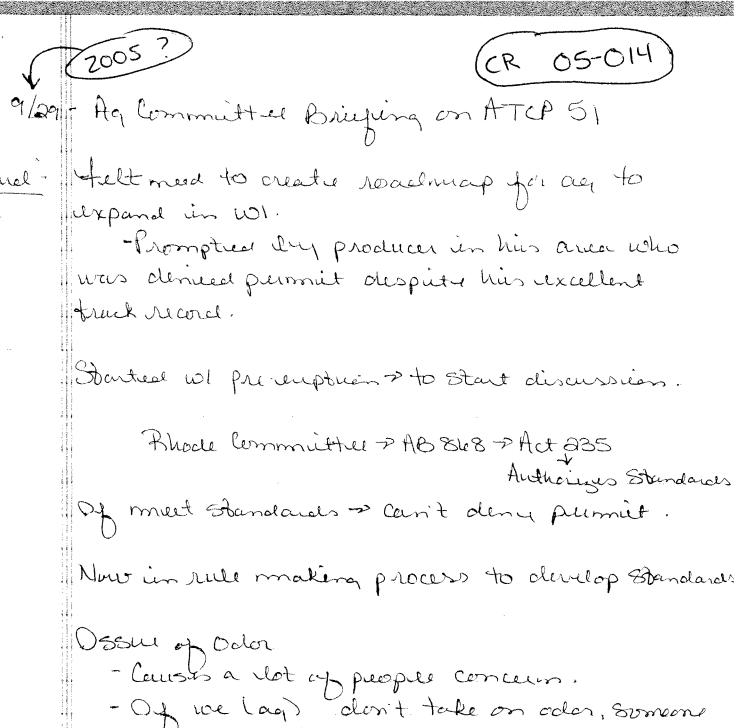
Sept. 29th Ango Cheming on ATCP 51

Alterdance
Deff hyon

Deforman

Ref hyon | Harm Pour Birmerman | Burreau Rep. Ward Keeley Woll DATEP Doe Handrick Rup Struchota Doan Sanstack Agric-View Dave hoveld Tricy. Council Herry Olam Certalmen Dordan hamber Couttuermen + Pork Sim Massey leventry loday Casey Jen Lyon DATEP Studelman Yours Assoc. Malt Stohn Counties Assoc Brad Legreid Dany Products ASSOC.





else will do ut for us ...

- We will need to make some changes to This product (rule). William to do what is mecessary to make this a good rule.

- Use today to disting, learn + ask questions.

Mukestuen - Mulk valume is increasing lack month, Where before ut had remained illat. This is critical

When started as Sec. , the #1 insies he heard about was the conflict that exists lutineen growing ag & other interests. Mis has been an open a balanced process. Hubble hearings resulted in over 4 dozen changes De producers meet Standances commot les déniers permit. Also prevides quidellines yn local units of govt. There will not the 100% consersus. "Tureaks" are appropriate luj lequislature. Much to work wi DNR+legis to avoid complications on NR 243 Au revisions. Bule accounts for men trecemology apprenas Dept. well do elxtensing education + cutteace * Key hest > Dires the rule provide practical of predictable quiceclines for producers + local units of government.

Mus rule in just one piece of the whole to unsure the success of the industry.

Bobbley thre we husting fourners in terms of tax whools we this rule....

Hines - Nobody is talking about the brengists the Standard will have on the health't welfar of the animals.

Theles this is a possitione for the animals.

Yours 70s it possible for an excellent producer to the denied the ability to expand under this title?

DATCP Stapp Presentation (See Hamolouse)

Lathy

Background

Pule ivs a general statewise framework
for sixting expanding devestors facilities.

The existing system is chroken.

Het the public belowing, oder standard received the most comments by for.

Delinskit Pestimate 50.70 farms per year impactuel bly the rule. * Coulse de hiezher ty a fabrilaces rule... most of the rule is current law or Standard.

Complete Application = Compilance = Approval

Settacks - Defeis to locals on setilacks requirements, ilvet cen't exceccé state max. Except for manure storage 350 yt. min. But - Existing facilities are grandfathered in.

* Feels rule will prevent exclusionary zoning around municipalities.

Ainsworth-Customs Manure Hondeling-Who's responsible for

Julinski - Lac Ounes is only resp. for training their own complexees.

lowns - Bremandathuring

Will existing Streetures der zuligert to

less when expansions take pilace

The mot impolitible as part of expansion

mot under regimements for setilants?

Facility= Whole of the operation (Surval Structure).

Rule applies to whole facility

vs.

Ishuctures - There are what one gramosfallencel.

. University -

Depending on the Standard, Some Structures will ille exampt.

Domalude in employee training brandling for pasticules + anticuliations (Outside purme of rule/startable)

Wants more specifics on tréuning standard. How will this work? Suder -

This could gut out of contrat of costiley.

Delinski-There are no specifies. Dupt just Buts l'assertine. Would îls willing to clomodel plans

Matton - De this rule works the way it should, former should mere have to physically read this to other experiable rules.

Dulinski - Predictuel Odor =

Estimated Oder Generated - Oder Control = Tredicted Oder Score

Must have a Score of 350 or cless.

* Most current operations are at the level. Yhres Who are higher generally haven't done anything to muligate oda.

Use Sq. Footage to predict odor - There is a correlation dutines sq. footage + Ale.

Sueled - Orlipects to any oder standard being in the rule - mot in enabling legislation.

> Jelinski-Omdustry has asked DATCP to dothisdink oder + air uniconscions viva Hirshele. Suche: Oderit care....

Hinsworth - Oder mot melesmealthe? mo unit af melesment. Have oder Stemdeards blen applied to other industries?

laures. Hour die the Dupt. Come up 101 80 as at for

- Brecause Science iesnit preject. Want to allaw some flexibility for good operators.

Mutrient Mgt. Workshiet - Does local gent. have discretien to review 590 plan > Mo Thocals can ask for accidience unjo to Substantiate Mutrient mgt. checklist.

Can they deny trised on the actil ingo. provided by saying ut's mot adequate?

Wastre Storage Worksheets - Most commentées require thus already.

* CD Riecording of Proceedings amfule



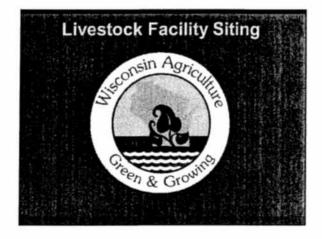


Disc Put In The "Un-Scannable" box.

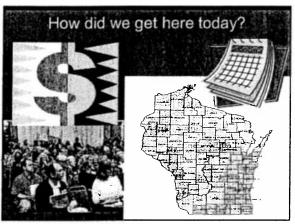


Informational Briefing 9/29









F	
1	
100	
1	

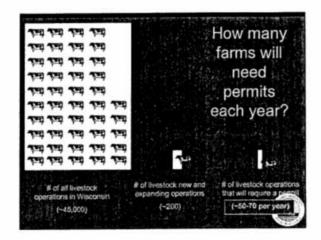
Timeline for Law- and Rule- Making Steps taken in 2005 Held public hearings Conducted field trials for odor standard Revised rule draft Approved unanimously by ATCP Board

I ne la	w requires
· IF locals choose to re	egulate
- New threshold	SEVICEN COMMENTS OF THE PARTY O
- State standards	-
- Timely approval	· 一种
建 定于14年2月1日	NO WELL THE PERSON NAMED IN
 Local Governments I 	
APPROVE facilities t	that meet
standards	

Rule respond to comments

- · Revised odor standard
- · Reduced number of siting standards
- · Eased setback requirements
- · Simplified local administration
- · Modified nutrient management standard
- · Added facility management plans

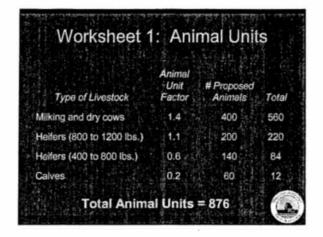


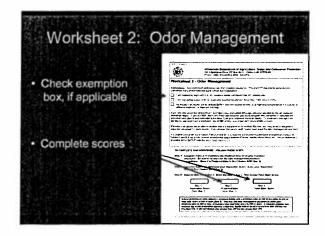


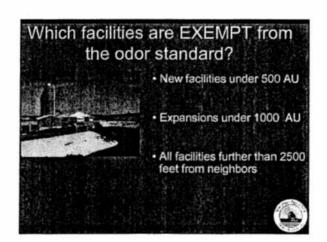
Standard	Is this new?
Worksheet 1:Animal Units	No
Worksheet 2. Odor Management	Yes
Worksheet 3: Waste and Nutrient Management	No
Worksheet 4: Waste Storage	No 1
Worksheet 5: Runoff Management Animal Lot Feed Storage	No Yes (if not CAFO)

Facilities that need a permit
ONLY farms in areas that require permits
Of those, only:
Cross permit threshold (usually 500 AU) and increase by 20%
Already over 500 AU, and increase by 20%.

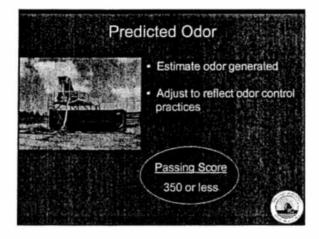
-	
•	_
•	

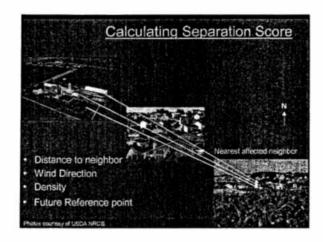


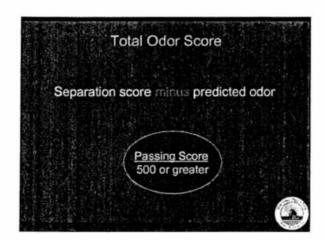


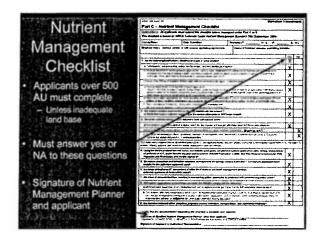


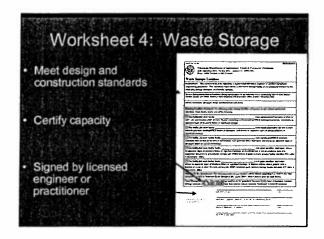
Informational Briefing 9/29

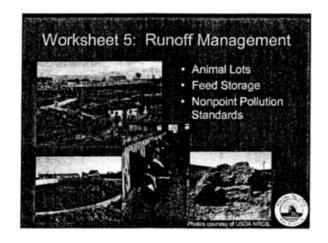


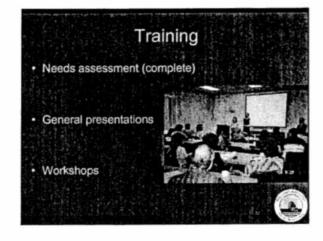


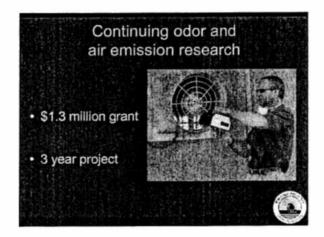
















Secretary Rod Nilsestuen Assembly Agriculture Committee Briefing September 29, 2005



Wisconsin Agriculture: Green and Growing

When Governor Doyle took office in January, 2003, this administration made a very serious commitment to the agriculture industry. We committed to helping the \$51 billion industry to be green and growing. With strong bipartisan support from the Agriculture Committees and the entire legislature, and the ag industry, we passed legislation with unwavering focus.

Let's review the "growing" side of the equation. Since January, 2003, the state of Wisconsin has moved to make the following investments in the agriculture industry:

Wisconsin investment in agriculture industry in past two years:

- \$300,000 in federal funds for organics
- \$400,000 by the state for aquaculture
- \$540,000 ADD Grants
- \$600,000 Conservation Innovation Grant for air emissions Livestock
- \$1 million in new state funds for bio-based value-added grants
- \$1.4 million in new state funds for nutrient management cost-sharing
- \$1.8 million in federal funds for grazing
- \$4 million in federal funds for the Value-Added Dairy Initiative
- \$4 million in federal funds for premises registration
- \$9.7 million in Dairy 2020 grants
- \$6 million USDA energy grants for digesters and biogas development
- \$6 million in state funds to grow the ethanol industry
- \$10 million in state funds for the dairy and livestock investment tax credits
- \$23 million for income tax credits by saving the Farmland Preservation Program
- \$25 million in state funds for construction of the Veterinary Diagnostic Lab
- \$34.5 million in WASI, UW Pioneer and Discovery Farms

Add it up:

Over \$127 million dollars in public investment to grow the industry in the past two years

A final, critical piece of the "grow agriculture" equation is our use value taxation. In the past two years, changes to the definition have saved farmers approximately \$600 million in property taxes. It moved Wisconsin from one of the highest to one of the lowest in the Midwest.

Other measures:

Beyond the investment of taxpayer dollars and reduction in property taxes we focused on other critical issues that were barriers to growth:

- Health Care Cooperatives
- Agriculture Producer Security freeing up millions
- Governor's Consortium on the Bio Industry to make manure a profit center in the future

Value Added Dairy Initiative (VADI)

- \$2.4 million in federal funds -currently in second year of funding
- Matched by in-kind contributions from Wisconsin dairy sector
- Partnering with dozens of existing agencies & organizations

First Year Results of VADI

- Provided technical assistance to 227 dairy farmers
- Assisted 27 processors in bringing new value-added products to the market
- Assisted 9 new Wisconsin processing plants to open and assisted 3 previously closed plants to re-open and develop value-added products
- Administered \$657,894 in grants to 79 producers, processors and local dairy groups

Year 2 Approach

- Another \$1.2 million in grants available
- Focusing on helping dairy farmers modernize operations to profitably increase milk production
- Added new "Commodity Innovation Grant" to help larger processors implement major projects to add value or cut costs in their businesses. Encouraging projects that involve collaboration between processors and dairy farmers

Working with Partners

- Through Commerce's Dairy 2020 program, more than 900 Wisconsin dairy producers have pumped \$282 million intomodernizing or expanding their operations since 1996
- Producers with herds of more than 200 cows have added 217,975 cows since 1997
 marking a \$1.1 billion reinvestment and adding 1.2 billion pounds of milk to the supply chain

Starting To See Results

• In 2005, Wisconsin milk production has increased:

4.9% in July

5.2% in June

3.8% in May

2.7% in April

.04% in January - March

It's the combination of all the elements of this comprehensive dairy competitiveness strategy – that is producing results and momentum. Wisconsin is on the move: It's why Hoard's Dairyman West said, "Wisconsin is creating the best dairy business climate in the US"/"Wisconsin has recommitted to dairy"

Livestock

- No state in the US surpasses Wisconsin for the number, diversity or quality of its sausages, bratwurst, specialty and processed meats.
- Wisconsin's mix of major national brands and hundreds of top shelf local meat plants is unmatched anywhere
- (NFL Team--called "Packers" it's Wisconsin, only state where it's a felony to attack Italian sausage)
- Number 3 state in total sales--#1 if you don't count hot dogs!

But, in recent years:

1. We've lost much of our hog industry, including packing plants

2. We're shipping the bulk of our 600,000 dairy bull calves out of state to be fed before they come back to Green Bay, (missing major value-added growth) and much of our pasture land is under-utilized and we have few feedlots

In an effort to address this we have:

- 1. Created Grow Wisconsin Livestock Task Force to ID strategies to more effectively address these challenges
- 2. Advanced the \$50,000 investment credit incentive for livestock modernization
- 3. Established Grow Wisconsin Livestock Panel to create an organized focal point for Wisconsin's entire livestock industry to advocate the actions needed for a healthy, broad-based livestock industry and ensure coordination to make this happen.

Siting Legislation and Rule

It's time to reflect on why we started down the path of legislation and rule-making. It is time to reflect on HOW we started the process and the objectives of the many players involved. It is time to remember the leadership of the Livestock Siting Task Force, this Agriculture Committee, and the Legislature that helped to get us here. It is time to reflect on the enormous amount of time, energy and resources that have given us opportunity for the best solution in the nation to a thorny problem.

Two and one half years ago, as I criss-crossed Wisconsin for the first time as the Secretary of Agriculture, the issue identified as the number one ingredient to our dairy and livestock growth was the conflict and turmoil over siting of livestock facilities.

We've watched Minnesota's dairy industry spiral downward because of years of gridlock and no consensus over feedlots and livestock rules. As a result, Idaho, not Minnesota, is now the #5 dairy state in the US.

Despite failed efforts in the past and much advice that this controversial and complex issue could not be solved, together the DATCP Board and staff, along with key legislators were determined to address siting in a fair, open and balanced way which involved all interested parties, not having agriculture "talk to itself".

The Twenty-two members of the Siting Task Force spent months preparing recommendations for legislation. The Legislature's Agriculture Committees met jointly to receive those recommendations and heard from 150 people that testified. Members of a technical panel spent months, a year ago, reviewing the best science upon which to build "application" for a permit for siting. The Rohde Commission of stakeholders then met three more times, including a 10 hour session last December 23. The DATCP Board delayed action a month to allow extensive stakeholder input. DATCP then held 16 public hearings attended by more than 800 people, over 400 offered testimony. Much of this testimony was very good and contained useful suggestions. As a result of this input and continuing dialog with stakeholders, we made nearly four dozen improvements to the rule. (A summary of those changes is in your packet.)

The rule before you reflects a simple fact: when a producer wishes to expand or build a new facility, if he or she meets the state standards, they cannot be denied a permit.

It is that simple.

If a producer meets the fair and practical state standards, they cannot be denied a permit.

This is exactly the objective we all set out to achieved, predictability for producers and guidance for local government when issuing a permit; and no erosion of Wisconsin environmental standards.

I think it's fair to observe that any time there is a major action which has wide spread impact proposed, there's bound to be differences of opinion of best ways to approach it.

- There will always be a couple of bumps in the road. Sometimes there will be over- reactions.
- The goal here is not 100% consensus on a complex issue. The key is maintain perspective and do what we set out to do, ensure balance, openness, integrity, and flexibility in implementation.

This proposal is not perfect but it is a good and sound approach. It is the product of work of dozens and dozens of producers, industry people, scientists, local government leaders, and conservationists.

The process has been open and transparent. All stakeholders/people who are affected by the rule have had full and continuing opportunity to present and advocate their ideas—whether dairy and livestock producers, town government, Trout Unlimited, rural neighbors, county officials.

Although most who have been involved with this intensive process for the last 28 months agree that this is a strong and balanced rule that will help Wisconsin's dairy and livestock producers and their industry grow and advance. I expect that there may be several items that can be clarified to address concerns that have recently been raised.

When the DATCP Board <u>voted unanimously</u> on September 14, it endorsed working closely with the legislature and the Department of Natural Resources to ensure that any changes in NR243 do not effectively set animal unit numbers that are lower than in the current rule. The animal unit numbers were extensively discussed in the siting rule discussion and on this rule was predicated on maintaining current levels. It would be inconsistent and unfortunate if these targets were now changed.

Although we have done virtually everything possible to ensure that this rule is practical and sustainable, it is a new process. And, as with anything new, there will be some unforeseen circumstances. The DATCP Board and I are putting in place several provisions to ensure flexibility so we can adjust. These include:

- A. Technology. Provisions for an approval process for new Best Management Practices (BMPs). So as technology improves and innovation occurs, it can be incorporated as needed.
- B. Outreach. An intensive education and outreach program for producers, local government, neighbors, and other stakeholders. We will partner with ag, dairy and livestock, and conservation organizations, local government, Extension, consultants and others on education, training and outreach to ensure that it is widespread and that there is access to trained experts and good information. And, we will work with producers, neighbors and local government to help ensure smooth implementation.

- C. Progress reports. We will publicly review progress on implementation on a monthly basis with the DATCP Board to ensure clear focus and progress. In addition, we will do a full program review at the end of each year to assess results and make any adjustments needed.
- D. Air quality. Finally, we successfully competed for a federal innovation grant on air quality for livestock operations. Ag groups, the Wisconsin Agricultural Stewardship Initiative, Discovery Farms, Pioneer Farms, UW, DNR and DATCP will partner in this effort to identify best ways to manage air quality and odor. This is another significant action step to ensure we address these issues, not just debate them.

I am very proud of the integrity and diligence of the citizen board of DATCP. They have stood tall on a complex and controversial issue and did so for all of the right reasons.

In the end, to be successful, this rule must face a practical, common-sense test.

- 1. Does it provide Wisconsin producers who want to grow with <u>predictable</u>, <u>practical</u> guidelines?
- 2. Will the rural neighbors of these operations feel these farms are good neighbors?
- 3. Will our environmental standards stay intact?
- 4. Will local governments have a workable framework to avoid community-splitting conflict?

Without a balanced, fair approach, Wisconsin won't avoid the conflict which stunts growth. It will continue.

So the challenge before us here –for legislators, for this Secretary, our citizen board and for all stakeholders and groups – is the same: Let's remember how far we have come, how we got here and how this rule is not a silver bullet, but rather an important piece of a much larger strategy to ensure that Wisconsin dairy and livestock can grow while being good neighbors and stewards of our natural resources. And let's remember that winning here is not zero-sum/I win – you lose. It's finding the kind of balances that are fair, practical and sustainable for all.





David Ward

Wisconsin State Assembly

Home: N3401 Hwy. G

(920) 563-2769

Fort Atkinson, WI 53538

Member: Joint Committee on Finance

TO:

Chairman Al Ott and Members

Wisconsin State Assembly Committee on Agriculture

FROM:

State Representative David Ward

37th Assembly District

DATE:

September 29, 2005

RE:

DATCP Livestock Siting Rule, ATCP 51



Thank you Chairman Ott and members of the Assembly Committee on Agriculture for inviting me to speak today regarding the Department of Agriculture, Trade, and Consumer Protection's rule, ATCP 51, relating to siting livestock facilities. This rule is a result of legislation sponsored by Senator Dale Schulz and myself, 2003 Assembly Bill 868 (AB 868), which was signed by Governor Doyle as Wisconsin Act 235.

The Department has done an excellent job of moving this issue forward, even prior to passage of AB 868. With the formation of the Advisory Committee on Siting Livestock Facilities, the DATCP "Technical Panel", again followed by another review by the Advisory Committee and ultimately the DATCP Board, an unprecedented effort has been made on behalf of the Legislature and the Department in bringing all affected parties together in a cooperative effort to resize, reshape and grow the livestock industry in a responsible manner.

Upon passage of this legislation, I made the commitment to myself, due to the extraordinary bipartisan working relationship and respect for the legislative process, NOT to micromanage the Department's rule-writing process; however, I did offer input and followed the rule through its development.

I understand there have been some members of this body who have been concerned with the results of portions of the product to be before you, particularly the odor standard. I feel there will need to be a number of minor changes made to this and other portions of the rule. I feel odor is an issue that must be addressed as an act of protection for Wisconsin producers. I look forward to working with the committee to make this product even better.

Again, thank you for the invitation to testify.